GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3649
ANSWERED ON:27.04.2007
ENSUJIANCE SCHEMES IN RURAL AREAS
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Will the Minister of FINANCE be pleased to state:

(a) the extent of outreach of the insurance sector,life insurance and general insurance, separately in rural areas,

(b) the ratio of public and p:ivate sector insurance companies in the field;

(c) the number of insurance claims in rural areas settled during the last three years; and

(d) the steps being taken by the Government to cover more number of rural areas in the insurance schemes?

Answer

MINISTER OF STATE FOR FINANCE (SHRI PA WAN KUMAR BANSAL)

(a) & (b): In terms of the insurance Regulatory 8c Development Authority (Obligations of the Insurers` towards Rural tfe Social Sector) Regulations. 2002, all Life insurers are required to underwrite 7%, 9%, 12%, 14%, 16% and 18% policies in the first six financial years, while in case of non-life insurers in the first two financial years 2% and 3% and 5% thereafter of the gross direct premium is required to be underwritten in the rural sector,

(c): The Insurance Regulatory & Development Authority (IRDA) has reported that its data processing system does not generate such information.

(d): IRDA has reported that it has notified Regulations on micro-insurance which provide for life and non-life insurance ccmpanies to offer micro insurance products to extend cover to the weaker sections of the society through combination of long-term life products with short-term non-life products.